

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
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**SUPPLEMENTAL AFFIDAVIT OF HOWARD RUBENSTEIN IN
SUPPORT OF DEBTORS' APPLICATION FOR ENTRY OF AN ORDER
AUTHORIZING EMPLOYMENT AND RETENTION OF RUBENSTEIN
ASSOCIATES, INC. AS CORPORATE COMMUNICATIONS CONSULTANT
TO THE DEBTORS NUNC PRO TUNC TO THE PETITION DATE**

I, Howard Rubenstein, being duly sworn, hereby deposes and says:

1. I am the President of Rubenstein Associates, Inc. ("Rubenstein"), a strategic communications firm with offices located at 1345 Avenue of the Americas, New York, New York 10105. I am authorized to execute this affidavit (the "Affidavit") on behalf of Rubenstein. Unless otherwise stated in this Affidavit, I have personal knowledge of the facts set forth herein.

2. This Affidavit is being submitted in response to the objection¹ filed by the United States Trustee for the Southern District of New York (the "U.S. Trustee") to the proposed retention of Rubenstein as communications consultant to the Debtors to perform services as set

¹ On July 6, 2012 the U.S. Trustee filed the *Omnibus Objection of the United States Trustee to Applications for Separate Orders Authorizing the Employment and Retention of (i) Morrison & Foerster LLP as Bankruptcy Counsel; (ii) Centerview Partners LLC as Investment Banker; (iii) Carpenter Lipps and Leland LLP as Special Litigation Counsel; (iv) Dorsey & Whitney LLP as Special Securitization and Investigatory Counsel; (v) Orrick, Herrington & Sutcliffe LLP as Special Securitization Transactional and Litigation Counsel; (vi) Mercer (US) Inc. as Compensation Consultant; (vii) Rubenstein Associates, Inc. as Corporate Communications Consultant; (viii) FTI Consulting, Inc. as Financial Advisor; (ix) Curtis, Mallet-Prevost, Colt & Mosle LLP as Conflicts Counsel; (x) Moelis & Company LLC as Investment Banker; (xi) AlixPartners LLP as Financial Advisor; and (xiii) Professionals Used in the Ordinary Course of Business* [Docket No. 703].

forth in the *Debtors' Application for an Order Authorizing Employment and Retention of Rubenstein Associates, Inc. as Corporate Communications Consultant to the Debtors Nunc Pro Tunc to the Petition Date* filed with the Court on June 26, 2012 [Docket No. 512] (the "Application").²

3. Rubenstein has provided public relations advice, guidance and media relations services to the Debtors in connection with these Chapter 11 cases.

4. The U.S. Trustee requested additional information regarding payments Rubenstein received in the ninety days before the Petition Date. On April 27, 2012, Morrison & Foerster LLP ("Morrison & Foerster"), proposed counsel to the Debtors, paid Rubenstein in the amount of \$150,000 as payment for an advanced invoice dated February 15, 2012 for services to be rendered to the Debtors from February 14, 2012 through the Petition Date. Rubenstein was initially retained by Morrison & Foerster on behalf of the Debtors, and upon the filing of these Chapter 11 cases, was retained by the Debtors. It is my understanding that the Debtors reimbursed Morrison & Foerster for these amounts on May 4, 2012 as payment against an invoiced expense.

5. Additionally, the U.S. Trustee has requested additional disclosures regarding the indemnification provision contained in the Engagement Letter. Rubenstein intends to only seek reimbursement of attorney fees in connection with requests for payment of indemnity.

² Capitalized terms not otherwise defined herein shall be given the meanings ascribed to them in the Application.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 10th day of July 2012.

/s/ Howard Rubenstein
Howard Rubenstein

SUBSCRIBED AND SWORN TO BEFORE ME this 10th day of July.

/s/ Lorraine P. Watson
Notary Public

My Commission Expires:

September 23, 2014

LORRAINE P. WATSON
No. 01WA6080961
Qualified in Bronx County
Commission Expires September 23, 2014